

Section 421 (a)(18), now Section 422 (e), was added primarily to cover disposal of property outside the United States. Authority to transfer both real and personal property to foreign governments is lacking in other provisions of law (outside the Foreign Assistance Act).

For your information, Part 101-46.404, Title 41, Code of Federal Regulations (CFR), states that "Except as otherwise authorized by law, proceeds from sales of personal property disposed of pursuant to this Subpart 101-46.4 shall be accounted for in accordance with General Accounting Office Policy and Procedures Manual for Guidance of Federal Agencies, Title 7, Fiscal Procedures, Section 15.4." The GAO Policy and Procedures Manual states that "Except as otherwise directed, all proceeds from the sale of personal property will be available during the fiscal year in which the property was sold and for one fiscal year thereafter for obligation for the purchase of replacement property. Part 101-47.307-6, Title 41, CFR, states with certain reservations that all proceeds received from any sale, lease, or other disposition of surplus real property and related personal property shall be covered into the land and water conservation fund in the Treasury of the United States.

It is the intent of this Agency to live within the provisions of existing statutes except in those instances where it is clearly shown that the peculiar functions of the Agency are involved or that security or operational considerations are present.

The provisions in question must remain in Section 422 (e), Title IV, as written.